

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WISCONSIN

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CLIFFORD KNAPP,  
1604 McCarthy Boulevard  
Wausau, Wisconsin 54401,

Plaintiff,

v.

Case No. 05-C-0296

TIMOTHY D. MORALES,  
3273 Lockwood Boulevard  
Lake Geneva, Wisconsin 53147, and

PRENTICE SECURITIES, INC.,  
800 East Hallandale Beach Boulevard,  
Hallandale, Florida 33009,

Defendants.

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**PETITION**

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The plaintiff, Clifford Knapp, by his attorneys, Gutglass, Erickson, Bonville, Seibel & Falkner, S.C., for his petition against the defendants, states as follows:

1. The plaintiff, Clifford Knapp, at all times relevant to the matters contained in this Petition, was an adult resident of the State of Wisconsin. Mr. Clifford Knapp has a current mailing address of 1604 McCarthy Boulevard, Wausau, Wisconsin 54401.

2. According to the Wisconsin Department of Financial Institutions, the defendant, Prentice Securities, Inc., has an office address at 326 East Mason Street, Milwaukee, Wisconsin 53202. The last known address of Prentice Securities, Inc. (hereinafter referred to as "Prentice") is 800 East Hallandale Beach Boulevard,

Hallandale, Florida 33009, according to the National Association of Securities Dealers.

3. The defendant, Timothy D. Morales, (hereinafter referred to as “Morales”), at all times relevant to the matters contained in this Petition, was an adult resident of the State of Wisconsin. Morales has a current mailing address of 3273 Lockwood Boulevard, Lake Geneva, Wisconsin 53147.

4. Upon information and belief, Morales was a broker employed by Prentice at all times relevant to the matters contained in this Petition.

#### **BASIS FOR JURISDICTION**

5. The federal courts have jurisdiction to confirm an Arbitration Award pursuant to 9 U.S.C. § 9.

6. The plaintiff, in the above-captioned matter, filed an Uniform Submission Agreement and a Statement of Claim with the National Association of Securities Dealers (hereinafter “NASD”), for claims against Prentice Securities, Inc. and Timothy D. Morales, on or about June 27, 2003.

7. Following a hearing on June 2, 2004, an Arbitration Award was rendered by the arbitrators pursuant to the rules of the NASD Dispute Resolution program, a copy of which is attached hereto as Exhibit A.

8. The Award section of the Arbitration Award, attached hereto as Exhibit A, stated the following:

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents Prentice Securities, Inc. and Timothy D. Morales shall be and hereby are jointly and severally liable for and shall pay to Claimant Clifford Knapp the sum of \$64,032.00 **(Sixty Four Thousand Thirty Two Dollars and No Cents)** as compensatory damages.
2. Respondents Prentice Securities, Inc. and Timothy D. Morales shall be and hereby are jointly and severally liable for and shall pay to Claimant Clifford Knapp the sum of \$21,344.00 **(Twenty One Thousand Three Hundred Forty Four Dollars and No Cents)** as attorneys' fees.
3. Interest at the rate of 5% per annum is awarded on the above stated sum from and inclusive of June 2, 2004 to and inclusive of the date of this Award is paid [i]n full or if this Award is confirmed as a judgment, at the rate of interest specified by law.
4. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
5. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees, not specifically awarded or otherwise provided for above.

WHEREFORE, plaintiff petitions the Court, pursuant to 9 U.S.C. § 9, to confirm the Arbitration Award, attached hereto as Exhibit A, and demands judgment against defendants as follows:

- A. for damages in the amount of \$85,376.00 as set forth in the Arbitration Award;
- B. interest at the rate of 12% as set forth in Wis. Stat. §814.04(4); and

C. such other relief the Court deems just and equitable.

Dated this 17<sup>th</sup> day of March, 2005.

GUTGLASS, ERICKSON, BONVILLE, SEIBEL &  
FALKNER, S.C.

s/ Mark J. Andres  
Paul R. Erickson (#1003920)  
Mark J. Andres (#1032314)  
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